

**DEPARTMENT OF SOCIAL SERVICES**

DIVISION OF MEDICAL SERVICES

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**Strong Families - South Dakota's Foundation and Our Future**

April 28, 2013

**ATTENTION: Providers and Billing Professionals**

**FROM: South Dakota Medicaid**

**RE: SFY 2013 Provider Bonus**

The South Dakota Legislature finalized the SFY14 budget in March. In addition to adopting the FY14 recommended budget, the Legislature also appropriated funding for a one-time payment to certain service providers for SFY13. The Joint Appropriations Committee's Letter of Intent provides more specific details relative to the one-time payments and can be found online at <http://legis.state.sd.us/fiscalanalysis/LettersOfIntent/LetterOfIntent04082013.pdf>.

**SFY13 One-Time Payment**

The SFY13 budget includes a one-time payment to be paid in SFY13. Per the Letter of Intent, eligible providers must be located in-state and to reduce administrative burden must qualify for a bonus of over \$100.

All eligible providers will receive one-time 1% reimbursement increase. Payments to eligible providers including hospitals, physicians, pharmacies, emergency medical transportation, optometrists, ophthalmologists, durable medical equipment providers, dentists, chiropractors, etc. will be paid in SFY13. Provider specific one-time payments will be calculated based on year-to-date payment data projected through the remainder of SFY13.

**We anticipate making these payments by the end of the fiscal year (June 30, 2013). This payment will be reflected on your remittance advice as an add payment.**

Other provider groups including nursing homes and community based providers are eligible for a one-time 2% reimbursement increase. Direct communication to qualifying providers in this group was issued earlier this week and includes more detail regarding the timing of payments to this group.

If you have questions, please contact us at 605-773-3495.

South Dakota Medicaid.